

## Message Text

SECRET

PAGE 01 CARACA 06798 211313Z  
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W  
-----009366 211315Z /46  
O 201359Z JUL 78  
FM AMEMBASSY CARACAS  
TO SECSTATE WASHDC IMMEDIATE 3111

S E C R E T CARACAS 6798

EXDIS

ARA FOR AMBASSADOR VAKY

E.O. 11652: GDS  
TAGS: ECON VE US  
SUBJECT: BOEING PAYMENTS

REF: STATE 178067

SUMMARY: CHARGE ALERTED JUSTICE MINISTER ECHEVERRIA  
TO LIKEHOOD THAT BOING WILL SOON REVEAL INFORMATION ABOUT  
VENEZUELAN SALES. AFTER CONSULTATION WITH PRESIDENT PEREZ,  
ECHEVERRIA (WHO APPEARS UNDERSTAND FULLY THAT USG CANNOT  
TAKE ANY ACTION TO DISSUADE BOEING FROM RELEASING INFORMATION)  
INFORMED US THAT PRESIDENT WOULD LIKE HIM TO DISCUSS MATTER WITH  
ASST SECRETARY VAKY IN WASHINGTON, IF FEASIBLE, NEXT WEEK  
(JULY 26-28). ACTION REQUESTED: ADVISE IF ASST SEC CAN  
RECEIVE ECHEVERRIA. END SUMMARY.

1. DRAWING ON INFO REFTTEL, JULY 18 CHARGE ALERTED JUSTICE  
MINISTER JUAN MARTIN ECHEVERRIA TO POSSIBILITY THAT BOEING  
COMPANY MIGHT SOON REVEAL INFORMATION REGARDING PAYMENTS FOR  
AIRCRAFT SALES, INCLUDING VENEZUELAN CASE.

2. NEXT DAY, JULY 19, MINISTER ECHEVERRIA CALLED IN CHARGE  
ON URGENT BASIS TO REVIEW BOEING CASE. MINISTER EXPLAINED  
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THAT HE HAD ADVISED PERESIDENT PEREZ BOEING MAY SOON REVEAL  
INFORMATION AND THAT GIVEN THE SENSITIVITIES OF THE CASE,  
THE PRESIDENT HAD DECIDED TO SEND ECHEVERRIA "UNOFFICIALLY"  
TO WASHINGTON TO DISCUSS IT WITH AMBASSADOR VAKY. ECHEVERRIA  
NOTED THAT HE HAD HELD NUMEROUS CONVERSATIONS WITH AMBASSADOR  
VAKY ON THIS MATTER IN THE PAST AND THAT AMBASSADOR HAD  
BOTH BACKGROUND AND SENSITIVITY TO ISSUES INVOLVED.

3. CHARGE REVIEWED WITH MINISTER THE INFORMATION EMBASSY HAS CONCERNING THE POTENTIAL BOEING COMPANY REVELATIONS. HE STRESSED TO THE MINISTER THAT THE COMPANY WOULD RELEASE THE INFO BECAUSE IT FELT COMPELED TO DO SO UNDER US LAW, AND CONSEQUENTLY IT WOULD BE BOTH INFEASIBLE AND IMPRUDENT TO ATTEMPT TO DISSUADE THE COMPANY FROM DOING SO. MINISTER REPLIED THAT GIVEN THE INFORMATION AT HAND, HE FULLY UNDERSTOOD THAT THERE WOULD BE NO POSSIBILITY OF DISSUADING BOEING UNDER THE CIRCUMSTANCES. NONETHELESS, THE PRESIDENT WOULD WANT HIM TO TRAVEL TO WASHINGTON TO DISCUSS THE IMPLICATIONS OF THIS MATTER FOR BOTH GOVERNMENTS, AND HE THEREFORE ASKED THE EMBASSY TO CONTACT THE DEPARTMENT FOR AN APPOINTMENT. ECHEVERRIA ALSO SAID HE WOULD PLAN TO FURNISH INFO TO DEPARTMENT ON GOV INVESTIGATION OF MATTER WHICH GOV OBLIGATED ITSELF TO DO UNDER BILATERAL AGREEMENT, BUT WHICH IT HAS NOT YET DONE. SUBJECT TO AMBASSADOR VAKY'S SCHEDULE, ECHEVERRIA SAID HE WOULD PREFER TO TRAVEL TUESDAY, JULY 25, TO MIAMI AND WOULD PLAN TO SPEND ONLY ONE WORKING DAY IN WASHINGTON. HE EXPRESSED HOPE THAT VISIT WOULD RECEIVE NO PUBLICITY.

4. MINISTER TOLD CHARGE THAT JOSE ANTONIO PIGNA SANTAMARIA, THE FORMER VIASA OFFICIAL INVOLVED IN THE POSSIBLE BOEING BRIBE, HAD BEEN ARRESTED IN 1977. ECHEVERRIA NOTED THAT PIGNA HAD CONFESSED TO TAKING A 6 PERCENT COMMISSION ON THE SALE OF THE PRESIDENTIAL BOEING 737. ECHEVERRIA EXPLAINED  
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THAT ALTHOUGH PIGNA HAD BEEN AN OFFICAL OF THE STATE AIRLINE, VIASAS, THE COURTS HAD DECIDED THAT HE COULD BE TRIED AS A GOVERNMENT OFFICIAL AND THAT THE FACT THAT HE RECEIVED COMMISSIONS WAS CONSEQUENTLY NOT ILLEGAL, WHICH WOULD HAVE BEEN THE CASE HAD HE BEEN A GOVERNMENT EMPLOYEE. ECHEVERRIA SAID THAT PIGNA IS STILL (ALTHOUGH NOT FORMALLY INDICATED) BEING "JUDICIALLY PROCESSED."

5. COMMENT: IN DISUCSSING THE CASE IN DETAIL WITH ECHEVERRIA, HE SEEMED TO CLEARLY UNDERSTAND NOT ONLY THAT THE USG HAS NO MEANS OF DISSUADING BOEING FROM RELEASING INFORMATION, BUT THAT BOEING WILL IN ALL LIKELIHOOD RELEASE INFORMATION ATEMPTING TO PLACE ITSELF IN THE BEST LIGHT. OUR CONCLUSION IS THAT PRESIDENT PEREZ IS INDEED CONCERNED ABOUT THE NEGATIVE IMPACT THT FULL DISCLOSURE BY BOEING COULD HAVE ON HIS ADMINISTRATION AND THEREFORE HAS DECIDED TO SEND ECHEVERRIA TO WASHINGTON TO SOUND US OUT ON WHAT STEPS MIGHT BE APPROPRIATE TO MINIMIZE THE POSSIBLE ADVERSE EFFECTS. ECHEVERRIA, EXTREMELY SOPHISTICATED AND INTELLIGENT, CLEARLY DOES UNDERSTAND THAT THERE IS LITTLE USG COULD DO IN THIS CASE, BUT, OF COURSE, PRESIDENT PEREZ UNDOUBTEDLY WANTS TO COVER ALL BETS BY SENDING ECHEVERRIA TO WASHINGTON.

6. ACTION REQUESTED: PLEASE ADVISE IF ASSISTANT SECRETARY  
VAKY CAN RECEIVE ECHEVERRIA FOR ABOUT ONE HOUR ON JULY 26, 27 OR 28  
IN WASHINGTON.  
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## Message Attributes

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**Decaption Date:** 20 Mar 2014  
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